

Career Service Board Meeting #2398
Minutes
Thursday, June 17, 2021, 9:00am

Microsoft Teams

Karen DuWaldt (Co-Chair)
Neil Peck (Co-Chair)
Patricia Barela Rivera
David Hayes
LaNee Reynolds

- I. Opening:** *Meeting was called to order at 9:00am. Neil Peck, Board Co-Chair, asked for a roll call of those present for the record.*

All members of the Career Service Board were present in addition to Bob Wolf, Sr. Asst. City Attorney to the Board, and Karen Niparko, Executive Director, Office of Human Resources ("OHR").

- 1. Approval of the Agenda for the June 17, 2021 Board Meeting.**
Board Member LaNee Reynolds made a motion, seconded by Board Member Patricia Barela Rivera, to approve the agenda for the June 17, 2021 meeting, which was approved unanimously by the Board.
- 2. Approval of the Minutes for the May 20, 2021 Board Meeting.**
Board Member David Hayes made a motion, seconded by Board Co-Chair Karen DuWaldt, to approve the minutes for the May 20, 2021 meeting, which was approved unanimously by the Board.

II. Board Comments: *None.*

III. Public Comments: *None.*

IV. Public Hearing: *No Notices Today*

V. Director's Briefing:

- 1. CS Rule Appendix 9.A – Telecommuting Guidelines**

Karen Niparko, Executive Director of OHR, stated the Telecommuting Guidelines Appendix to Career Service Rule 9 were updated to reflect the city's plan to return to the office in a hybrid model, with employees working in-office anywhere from five days to one day per week, depending on the agency's plan.

Rachelle Hill, Sr. Asst. City Attorney, stated the guidelines were revised in June 2020 when the pandemic first began to remove and update various provisions that no longer addressed the extended work from home environment. Board Member LaNee Reynolds asked for an overview of the changes.

The types of telecommuting were broken out into three categories; recurring, occasional, and emergency. While either the employee or supervisor can propose a specific type of remote working, the final arrangement must be approved by the agency's appointing authority.

The eligibility conditions were updated to specify certain departments and/or workgroups within an agency can be designated to remote work or be required to report to the office. These designations and approvals can change at any time based on business needs.

The guidelines regarding using equipment and software provided by the city was updated to specify only one set-up, either at-home or in-office, will be provided and additional costs will be not reimbursed beyond the allocation of supplies and materials already provided by the agency.

The current hybrid model is acknowledged as the city's new standard for the workplace, however, it is not an entitlement or benefit of employment, can be changed at any time, and the policy may not be subject to a grievance. Ms. Niparko noted the old guidelines required preapproval of remote work arrangements and considered an employee's performance.

Ms. Reynolds asked if there was a policy in-place for employees to work out-of-state, to which Ms. Niparko replied in the affirmative, noting this would be very limited and require approval from the appointing authority, the CAO, and Finance.

Board Co-Chair Neil Peck asked how employee performance is evaluated in a work from home environment versus in-office. Ms. Niparko stated there should be no difference whether oversight happens in-person versus Teams. Mr. Peck stated he assumed there would no reduction in performance expected with work from home, to which Ms. Niparko replied in the affirmative, noting managers retain the option to change schedules if issues arise.

2. Health Insurance Plans Update

Heather Britton, Director of Benefits & Wellness presented an update on the United Healthcare ("UHC") Self-Insured Plan, noting there are no changes to the city's employee benefit plans requiring a public hearing with the Board this year.

2020 was the first year of self-funding for the UHC population, which covers approximately 4,000 employees. The UHC Plan consist of a high-deductible plan and an DHMO called the Colorado Doctor's Plan, which requires care be obtained by Centura Health's network of providers and facilities.

The Plans' financial performance ran as expected, with a \$12 million surplus in 2020 and a loss ratio of 80.4%. The surplus is needed to build the required reserves for any self-insured plan. For 2021, the surplus is projected at \$3.2 million due to higher claims experience. Lockton has budgeted 2022 at \$60.5 million, which should cover all expected claims with little to no margin for a surplus.

Ms. Britton also highlighted the performance of Kaiser, which had a loss ratio of 70.7% in 2020, with \$43.7 million in claims versus premium paid of \$61.9 million. Denver Health Medical Plan has loss ratio of 68.1%, with paid claims of \$6.1 million versus premium paid of \$9 million. There were no rate changes proposed next year for either carrier's coverage.

Delta Dental was put out to bid this year, but was the only bidder in the Request for Proposal due to the city's liability clause and the difficulty in competing with Delta's EPO network of providers. The Employee Health Insurance Committee proposed enhancements and changes, including a higher implant and orthodontic maximum benefit amount for the PPO plans and higher co-pays for the EPO Plan. There will be a rate increase or decrease, depending on the plan.

Board Co-Chair Neil Peck asked why Kaiser and Denver Health Medical Plan received a higher premium versus claims paid, noting the difference was substantial and questioning the actuarial advice received by Lockton. Ms. Britton noted premiums are set based on prior claim experience, and 2020 was highly unusual due to the pandemic and isolating at-home.

Ms. Britton noted fully insured plans place the liability on the carrier if claims are higher than expected, and a refund or rate reduction can be negotiated when the loss ratios are lower.

Board Member LaNee Reynolds commented this is part of the annual benefits analysis for any company and noted Ms. Britton should go back to Lockton to negotiate with Kaiser, given the large difference.

3. OHR Talent Acquisition Equity Actions

Cindy Bishop, Deputy Director of OHR, presented an equity action plan focused on recruiting strategies. Ms. Bishop noted Jordan Dullea, Project Manager, Alyx Sparrow, Assessments Manager, and George Zamarippa, Marketing & Communications worked on today's presentation.

Ms. Bishop noted OHR had formed an Equity, Diversity, & Inclusion Committee, in partnership with the Mayor's Office of Race & Social Justice Initiative, which established three equity strategies for the agency for 2020-2021: (1) Building awareness and capability around race equity to normalize conversations; (2) Working in partnership with UC Berkeley, Benefits & Wellness is focusing on improving wellness interventions to improve awareness and participation in the Vitality program and the incentive; (3) Re-imagining recruiting and hiring in the city to ensure fairness and equity in hiring policies, practices, processes, and behaviors.

Alyx Sparrow stated the key findings from the research process indicated the city's candidate pools and workforce generally reflect the community's population, however, management opportunities demonstrated a larger opportunity for improvement.

Reviewing the city's data for individual contributor positions, the county's breakdown by ethnicity generally closely reflects the breakdown in the candidate pool, new hires, and current workforce. When reviewing for gender, the candidate pool is higher for females, while hires and the workforce are slightly more male.

Reviewing the city's data for management positions, the opportunity for improvement becomes clear, with the candidate pool, hires, and current workforce having a much higher percentage of White than Hispanic individuals, with Black individuals coming in closer to the overall percentage in the county in each category. Ms. Sparrow noted these results are not unique to the city and are reflected in the private sector data as well.

When reviewing by gender, the candidate pool for managers is more male, but the actual hires is higher for females, and the management workforce is higher for males than females.

Board Member Patricia Barela Rivera asked if the data for women can be broken down by race, such as White, Black, Hispanic, and Asian. Ms. Sparrow replied that information is the next level of analysis and has not yet been compiled at the citywide level

Board Member LaNee Reynolds asked what year was used for the workforce data. Ms. Sparrow answered the data was taken from 2018 to 2021 versus 2019 for the population.

Board Co-Chair Karen DuWaldt asked if there was a sense of which agencies show the greatest disparity in workforce data versus the population. Ms. Sparrow stated the next level of analysis will address specific agency data.

Board Member David Hayes commented the initial analysis was good, however, it would be ideal to see more specific data on open management positions versus staff roles.

Ms. DuWaldt concurred the graphs were excellent at clearly showing where the specific disparities exist and asked when the Board could expect to see the next level of analysis.

Ms. Bishop stated the team is working through the next level of analysis and data by position and expects to have dashboards in partnership with HR Technology & Innovation developed by year-end.

Ms. Bishop highlighted the strategy for moving forward including blind resumes, ensuring the makeup of hiring panels, and applying new technological solutions to ensure fairness and equity in all hiring policies and practices.

George Zamarippa outlined the Denver Hub and various links to highlight the resources for employees and agency leaders. Ms. Barela Rivera asked if the resources demonstrated are for internal audiences only, to which Mr. Zamarippa confirmed is the case.

Ms. Bishop stated Talent Acquisition is working closely with the Office of Social Justice & Innovation to develop actionable items for agency leaders to use in the future. Ms. Bishop reviewed the timeline for rollout to the equity action plan up to September.

Ms. Barela Rivera asked the Board be updated again once additional information and results are available to review. Mr. Hayes commented having specific goals is very important in the process, particularly in recruiting strategies, as this area is the most complex to address.

VI. Executive Session:

The Board went into executive session at 10:15am and discussed several OHR issues with Karen Niparko. George Branchaud, Operations Administrator, subsequently joined the executive session and the Board agreed the Career Service Board meetings would return to an in-person format in August, with a remote option continuing to be available.

VII. Adjournment: *Adjournment was at 10:50am.*